

IC 36-5-3

Chapter 3. Town Budget Procedures and Compensation of Officers and Employees

IC 36-5-3-1

Application of chapter

Sec. 1. This chapter applies to all towns.

As added by Acts 1980, P.L.212, SEC.4.

IC 36-5-3-2

Compensation for officers and employees

Sec. 2. (a) As used in this section, "compensation" means the total of all money paid to an elected town officer for performing duties as a town officer, regardless of the source of funds from which the money is paid.

(b) The town legislative body shall, by ordinance, fix the compensation of its own members, the town clerk-treasurer, and the town marshal. The legislative body shall provide reasonable compensation for other town officers and employees.

(c) The compensation of an elected town officer may not be changed in the year for which it is fixed, nor may it be reduced below the amount fixed for the previous year.

(d) The legislative body may provide that town officers and employees receive additional compensation for services that:

- (1) are performed for the town;
- (2) are not governmental in nature; and
- (3) are connected with the operation of a municipally owned utility or function.

Subject to the approval of the legislative body, the administrative agency operating the utility or function shall fix the amount of the additional compensation, which shall be paid from the revenues of the utility or function.

As added by Acts 1980, P.L.212, SEC.4. Amended by Acts 1981, P.L.17, SEC.26; P.L.351-1983, SEC.1; P.L.15-1993, SEC.4.

IC 36-5-3-3

Formulation of budget estimate

Sec. 3. Before the publication of notice of budget estimates required by IC 6-1.1-17-3, each town shall formulate a budget estimate for the ensuing budget year in the following manner, unless it provides by ordinance for a different manner:

- (1) Each department head shall prepare for his department an estimate of the amount of money required for the ensuing budget year, stating in detail each category and item of expenditure he anticipates.
- (2) The town fiscal officer shall prepare an itemized estimate of revenues available for the ensuing budget year, and shall prepare an itemized estimate of expenditures for other purposes above the money proposed to be used by the departments.
- (3) The town executive shall meet with the department heads

and the fiscal officer to review and revise their various estimates.

(4) After the executive's review and revision, the fiscal officer shall prepare for the executive a report of the estimated department budgets, miscellaneous expenses, and revenues necessary or available to finance the estimates.

As added by Acts 1980, P.L.212, SEC.4.

IC 36-5-3-4

Report of budget estimates; ordinances fixing tax rate and appropriations

Sec. 4. The town fiscal officer shall present the report of budget estimates to the town legislative body under IC 6-1.1-17. After reviewing the report, the legislative body shall prepare an ordinance fixing the rate of taxation for the ensuing budget year and an ordinance making appropriations for the estimated department budgets and other town purposes during the ensuing budget year. The legislative body, in the appropriation ordinance, may change any estimated item from the figure submitted in the report of the fiscal officer. The legislative body shall promptly act on the appropriation ordinance.

As added by Acts 1980, P.L.212, SEC.4.

IC 36-5-3-5

Additional appropriations; decrease; ordinances

Sec. 5. After the passage of the appropriation ordinance, the town legislative body may make further or additional appropriations by ordinance, unless their result is to increase the tax levy set under IC 6-1.1-17. The legislative body may, by ordinance, decrease any appropriation set by ordinance.

As added by Acts 1980, P.L.212, SEC.4. Amended by Acts 1980, P.L.73, SEC.20.

IC 36-5-3-6

Waiver of compensation

Sec. 6. (a) As used in this section, "compensation" means the total of all money paid to an elected town officer for performing duties as a town officer, regardless of the source of funds from which the money is paid. The term includes all employee benefits paid to a town officer, including life insurance, health insurance, disability insurance, retirement benefits, and pension benefits.

(b) A town officer may waive the officer's compensation for any year by filing a notice that satisfies the following:

- (1) The notice is in writing.
- (2) The notice states in substance all of the following:
 - (A) The position held by the town officer.
 - (B) The calendar year covered by the notice.
 - (C) That the town officer waives compensation under this section.
 - (D) That the town officer understands that the notice is

irrevocable beginning January 1 of the year covered by the notice.

(3) The notice is signed by the town officer who wants to waive compensation.

(c) A town officer who wants to waive compensation under this section must file the notice with the town clerk-treasurer before January 1 of the year covered by the notice.

(d) A notice filed under this section is irrevocable beginning January 1 of the year covered by the notice.

(e) A town officer who files a notice under this section:

(1) is not entitled to compensation for duties performed in the year covered by the notice; and

(2) may not be paid compensation for duties performed in the year covered by the notice.

As added by P.L.67-2001, SEC.1.